

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

Reserve

MANAGING YOUR WOODLAND

U. S. DEPT. OF AGRICULTURE

NATIONAL AGRICULTURAL LIBRARY

MAR 24 1964

HOW TO DO IT GUIDES

C & R-PREP.



PACIFIC NORTHWEST REGION-STATE AND PRIVATE FORESTRY

No. 8

PORTLAND, OREGON

July 1961

CHRISTMAS TREE HARVESTING AND MARKETING FOR PACIFIC NORTHWEST GROWERS

| CONTENTS | Page |
|--|------|
| A. INTRODUCTION | 1 |
| B. QUALITY IS A "MUST" | 2 |
| C. GROWING THE RIGHT SPECIES | 2 |
| D. A LOOK INTO THE FUTURE | 3 |
| E. PREHARVEST JOBS | 4 |
| F. LICENSES, PERMITS, AND OTHER LEGAL REQUIREMENTS. | 5 |
| G. HARVESTING | 6 |
| 1. Cutting and Dragging | 6 |
| 2. Transportation, Process- ing and Storage. | 7 |
| H. MARKETING | 10 |
| 1. Selling to a Wholesaler or Retailer. | 10 |
| 2. Selling Trees to the Consumer. | 12 |
| 3. Christmas Tree Grades. | 15 |
| I. SUMMING UP. | 17 |
| J. SOURCES OF ASSISTANCE AND INFORMATION. | 17 |

For 7 to 12 years he has invested a considerable amount of money and many hours of hard work culturing his trees into masterpieces of beauty. Yet the success or failure of his entire venture is determined by sales returns during a period of a few weeks. It is not surprising that successful marketing requires the same degree of skill, effort and advance planning by the grower as is needed to culture a field of scraggly seedlings into high quality Christmas trees.

Christmas trees are unique as a commodity. For 11 months of the year they have little or no retail value. Then they suddenly become a valuable item of trade as some 40 million American buyers eagerly seek the tree of their choice. Just as suddenly the Christmas season passes and cut trees become a liability, for it costs money to haul debris away.

A. INTRODUCTION

Harvesting and marketing are of vital concern to the Christmas tree grower.

The grower must take quick but well planned action to get the best returns

Prepared by: Bernard S. Douglass, Div. of State & Private Forestry,
U.S. Forest Service, with the guidance and assistance of:

Oregon State Board of Forestry
State of Wash. Dept. Nat. Res.
Oregon State Extension Service
Wash. State Extension Service

U.S. Soil Conservation Service
Forest School faculties of O.S.U.,
U. of W., and W.S.U.
Member Growers of N.W. Christmas Tree Assoc.



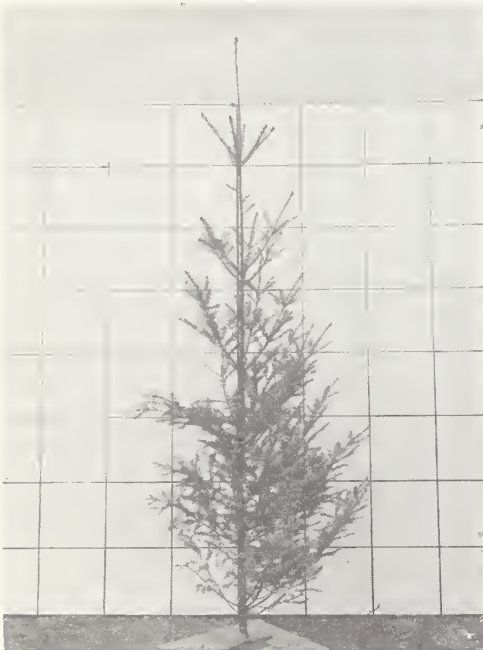
FOR FURTHER INFORMATION CONSULT YOUR LOCAL FORESTER



from his investment. The purpose of this bulletin is to guide him through the brief, but critically important, harvesting and marketing period.

B. QUALITY IS A "MUST"

No amount of skilled merchandising will enable a seller to get top prices unless his trees are of top quality. Many retail lots are overstocked with spindly, sparsely branched saplings that should have been left in the forest. Unsold trees on Christmas day are usually of this quality. Growers, wholesalers and retailers who fail to set their sights on high quality will drop by the wayside as competition for markets becomes keener. In the long run it is the customer who sets the standards for quality. Most customers will not purchase poor quality trees when better trees are available.



THIS POOR QUALITY TREE
WILL BE DIFFICULT TO
SELL AT ANY PRICE.

C. GROWING THE RIGHT SPECIES

Each year, wholesalers and retailers must decide which species are available and likely to be profitable to handle. Their judgment will affect their returns for only that particular year. The grower, however, must make a longer range decision. The species he plants today will not be ready to harvest for 7 or more years. Market demand for a certain species could change considerably in that time. In order to make a wise selection of species to plant or culture, the grower should consider two important questions:

1. Which species will grow well on his land?
2. Which species will be in good demand at harvest time?



GROWERS SHOULD CONCENTRATE
ON HIGH-QUALITY TREES SUCH
AS THIS DOUGLAS-FIR.

Advice from foresters or personal experience will help to answer the first question. The second question requires some careful analyzing of past and present trends. In general, the demand for the old stand-bys, Douglas-fir, concolor fir, grand fir, and noble fir is likely to remain firm for many years. Demand for lodgepole pine, shore pine, Scotch pine and silver fir has been increasing during the past few years. These trees now appear to be good risks but only time will tell how long their popularity will continue to increase.

Other species, such as spruce, redwood, cedar and ponderosa pine, have never accounted for a very sizeable portion of our total production. Certain characteristics of these species and long established buying habits of customers make it appear doubtful that the demand will increase in the near future. Growers are advised not to go "all out" for any of the species in low demand. If grown at all, they should be tried on a small scale to supplement a main crop of one or more of the popular species.

D. A LOOK INTO THE FUTURE

Is there a danger of overproduction? Growers in the East are already facing this problem. However, where overproduction has become a problem, growers of high quality trees have found markets at satisfactory prices while low quality trees were unsaleable. Quality is the key to future markets.

What about competition from artificial trees? Trees manufactured from metals, plastics, and other materials are now on the market in direct competition to natural trees. Customers who have had low quality trees, or have difficulty in purchasing a fresh tree, may look to artificial ones as a substitute. Although artificial trees have captured only a small percentage of today's market, their increasing popularity has caused concern to many growers. This presents a real challenge for Christmas tree growers to improve quality and promote the fine qualities of natural evergreen Christmas trees.

What about competition in existing markets from other producing areas?

Christmas tree production in the Pacific Northwest in 1959

| Species | Oregon No. of trees | Washington No. of trees | Pacific N.W. No. of trees | % |
|---|------------------------|----------------------------|------------------------------|-----------|
| Douglas-fir | 549,000 | 2,490,000 | 3,039,000 | 85% |
| Concolor & grand fir | 277,000 | 59,000 | 36,000 | 10% |
| Noble, silver & Shasta red firs | 55,000 | 15,000 | 70,000 | 2% |
| Lodgepole & shore pines | 45,000 | 21,000 | 66,000 | 2% |
| Spruces, ponderosa pine, white pine & other species | <u>11,000</u> | <u>22,000</u> | <u>33,000</u> | <u>1%</u> |
| Totals | 937,000 | 2,607,000 | 3,544,000 | 100% |

Today about 30% of our production is used in Oregon and Washington and 70% is shipped to other states. More than 90% of our out-of-state shipments go to California. The Pacific Northwest's main competitors are Canada and Montana. Both areas produce good quality Douglas-fir almost all of which are uncultured, natural trees. However, Pacific Northwest trees generally have three definite advantages:

1. Closer to West Coast markets.
2. Brighter green color.
3. Stronger branch structure.

By concentrating on producing high quality trees, we should be able to more than hold our own against competition. Oregon and Washington have some of the best naturally suited areas in the world for growing Christmas trees.

E. PREHARVEST JOBS

1. An all-weather access road to the Christmas tree area is a "must". In addition, a system of parallel harvest roads should be located at 200 to 400 foot intervals throughout the cutting area to reduce dragging (tree carrying) costs. Moderate grades, culverts and gravelled surfaces generally save money in the long run.

2. Only light pruning or shearing should be done during the same year that the trees are to be harvested. Heavy shearing at this time may result in visible stubs and a cropped, unnatural appearance. However, removal of multiple leaders, suckers and unsymmetrical branches may raise the tree grade.

3. Chlorotic (yellowish) needles caused by a nitrogen deficiency can often be corrected by applying ammonium nitrate or other nitrogen fertilizer under the drip line of the tree. Best

times to fertilize for color improvement are either early spring just before the buds burst or late August of the same year the tree will be cut. Spring application will stimulate both growth and color. Late summer application will stimulate only color. Required dosage per tree to get desired results depends on the nitrogen deficiency of the soil. Trials should be made with 1/8 to 3/4 pound (33% nitrogen fertilizer) per tree to determine the least amount that will give good color.

4. A complete inventory of marketable trees by species, height, and grade should be made. An accurate inventory is essential for planning and sale negotiation. The best time to make the inventory is at the same time the trees are marked for cutting.

5. Most growers prefer to make their own selection of trees to be harvested whether they do their own cutting, hire cutters, or sell trees on the stumps. Trees can be marked for cutting by spraying bright colored paint on the stem below the handle or by attaching a red plastic ribbon or other bright marker to a branch.

6. Some growers make the mistake of depleting their growing stock by marking too many smaller trees. They should keep in mind that about 80% of the demand is for 5- to 7-foot trees. Smaller trees should be largely from thinnings that will release crowded trees.

7. Trespass may be a problem for several months before Christmas. Signs and locked gates are inexpensive precautions and are usually effective. More costly precautions such as special fencing or watchman service may be necessary in problem areas. Growers should obtain the cooperation of local law enforcement officers.



SIGNS ARE AN EFFECTIVE
METHOD OF REDUCING LOSS
THROUGH TRESPASS.

8. The grower should be sure of a market before he harvests. Additional details appear under Section F on Marketing.

F. LICENSES, PERMITS AND OTHER LEGAL REQUIREMENTS

Detailed information on state, inter-state, county and local regulations are available in the bulletin "Regulatory Measures Affecting the Cutting, Transporting and Marketing of Christmas Trees and Boughs Grown in Oregon" (with a similar one for Washington). Copies are available from farm foresters, county extension agents, or the U.S. Forest Service, Box 4137, Portland 8, Oregon. Some of the important regulations are summarized below:

1. Oregon

a. A Christmas Tree Harvesting Permit is required before any trees are cut commercially. It should be obtained from the local

District Warden, Oregon State Board of Forestry.

b. A Bill of Sale is required while transporting more than 5 trees unless the landowner is doing the hauling. It must show the date, number and species of trees, legal description of cutting area and name and address of the buyer and seller.

c. A PUC Permit is required for private carriers with gross weights over 6,000 pounds.

d. Most cities require a permit or license for operating a retail lot.

2. Washington

a. A Cutting Permit is not required except on classified reforestation lands.

b. An annual report is required for all out-of-state shipments. Forms and information should be obtained from a District Office of the Department of Natural Resources.

c. Several Western Washington counties require Load Certificates for transporting more than 5 trees. Truckers not acquainted with these requirements may obtain information from the Department of Natural Resources or the County Sheriff. Load certificate forms can also be obtained free of charge at these offices.

d. A UTC Permit is not required for private carriers who own the trees that they haul.

e. A Temporary Registration Certificate is required for retailers. This should be obtained from the State Tax Commission. Collection of

a State retail sales tax is required. Regardless of the size of operation, If gross sales are \$600 or more per year, a business and occupation tax must be paid by both retailers and wholesalers.

f. Most cities require a permit or license for operating a retail lot.

G. HARVESTING

Proper time to harvest is determined by the condition of the needles, as well as timing for the market. Fall and early winter weather conditions are a determining factor as to when the needles have "hardened off" on the branches. If the trees are cut before this hardening-off period, they may shed their needles during storage and transit. A simple test for checking needle condition is described as follows: Grasp a cluster of needles firmly between the fingers and pull hard. If the needles strip easily from the twig, it is too early to cut the trees. If they break in two or strip off with great difficulty, the tree is ready to cut. At lower elevations, sufficient cold weather to set the needles may not occur until after December 1.

Harvesting on small areas may be done entirely by the grower with only a cruiser axe and pickup truck for equipment. A large grower on the other hand will have to hire cutters, draggers, loaders, drivers and also additional help if the trees are processed at his own concentration yard. Whether his operation is large or small, it does not pay the grower to get so bogged down in work and detail that his production schedule, marketing arrangements and general supervision of the entire operation are neglected. Mechanized equipment will often speed production and decrease the number of men needed.

1. Cutting and Dragging

a. Cutters and draggers usually work in pairs. The cutter fells the trees and the dragger carries them to piles along the roadside. On large harvesting operations, a foreman assigns cutting strips to each pair, coordinates the cutting and inspects the work of each man. On small operations, one man may do both the cutting and dragging.

b. The cutter uses a short-handled pruning saw, light axe, or machete to cut trees. A saw is best if stump culture is a desired practice. In natural areas he may bunch several cut trees in a conspicuous place, such as the top of a stump or in a natural opening, to help the dragger spot them easily. Good handle length is about $1\frac{1}{2}$ inches for each foot of tree height. The cutter allows a few additional inches for trim. The handles later are sawed to proper length at the concentration area.



MANY CUTTERS USE A LIGHT CRUISER AXE. THE TREE IS BENT BACK TO PUT TENSION ON THE STEM AND FELLED WITH A SINGLE STROKE.

c. The cutter should be given clear instructions on which trees to cut. Pre-marking the trees that are to be cut is the surest way to accomplish the desired results. Most of the needed smaller sized trees can be harvested as thinnings to improve spacing and release crowded trees from competition. Cutters should be instructed on stump treatment. If stump culture is to be practiced to grow a future tree from a limb or sprout, a whorl or two of branches should be saved below the cut to keep the stump alive. However, stump culture is not usually practiced when sufficient smaller trees are already established to replace the trees that are cut.



STUMP CULTURE IS A GOOD PRACTICE WHERE NATURAL SEEDLINGS ARE SCARCE OR SLOW TO GET ESTABLISHED. WHEN THIS IS DONE, THE CUTTER LEAVES A FEW LIVE BRANCHES ON THE STUMP BELOW THE CUT.

A NEW CHRISTMAS TREE CAN BE DEVELOPED FROM ONE OF THE BRANCHES OR FROM A NEW SPROUT.

In this case the stump should be killed to reduce competition by cutting off all its limbs.

d. Draggers carry several trees, butt first, under each arm. Trees are easily damaged by rough handling. They should be held high enough to prevent scraping off needles and buds and soiling the needles. The dragger should work closely with the cutter and know the boundaries of the cutting strip to avoid missing cut trees. Trees are bunched in piles, butt first, alongside the road for easy loading onto a truck.

2. Transportation, Processing, and Storage

a. Trees piled along the roadside are loaded onto trucks, trailers or pickups and hauled to a central processing and shipping point known as a "concentration area".



"DRAGGERS" FOLLOW THE CUTTERS. THEY CARRY CUT TREES FROM THE WOODS AND BUNCH THEM IN PILES ALONG THE ROADSIDE.



THIS LOAD OF FRESHLY CUT DOUGLAS-FIR HAS JUST ARRIVED AT THE CONCENTRATION YARD. THE DRIVER IS FASTENING THE ENDS OF A CABLE TO A SOLID ANCHOR ON THE GROUND. WHEN HE DRIVES AHEAD SLOWLY, THE ENTIRE LOAD WILL SLIP OFF THE TRUCK BED ONTO THE GROUND.

b. Careful handling when the trees are loaded or unloaded is necessary to reduce breakage and rubbing off needles and buds. A good way to reduce rope abrasions and wind drying during transit is to pad the top and sides of the load with loose branches. The same branches can be used to protect the trees during storage at the concentration area. They may also be salable as Christmas decorations.

c. Processing for shipment:

(1) Trees are normally processed at the concentration area.

(2) In a few major Christmas tree producing areas, such as the South Puget Sound, wholesalers have their own concentration yards. Many such yards are highly mechanized for sorting, bundling, trimming, handling, and loading for rail or truck shipment. Most yards have buyers who will purchase delivered trees from local growers. Selling to an established concentration yard relieves the grower of both risk and processing responsibility.



LARGE CONCENTRATION YARDS, SUCH AS THIS ONE NEAR SHELTON, WASHINGTON, ARE HIGHLY MECHANIZED. THEY HANDLE THOUSANDS OF TREES EACH DAY. TREES ARE SHOWN PASSING UNDER A MIST SPRAY WHICH CONTAINS A FUNGICIDE IN WATER SOLUTION TO HELP CONTROL SPOILAGE DURING STORAGE AND TRANSIT.



OTHER CONCENTRATION AREAS, SUCH AS THIS ONE IN EASTERN OREGON, ARE SMALL ONE-MAN OPERATIONS SET UP AT THE FARM OR ON A VACANT LOT. THE OPERATOR HOPES TO REALIZE A GREATER DOLLAR RETURN BY PROCESSING HIS OWN TREES, OR TREES FROM LOCAL GROWERS, AND SELLING THEM DIRECTLY TO A RETAILER OR WHOLESALER.

(3) Many growers may not be near an established concentration yard or they may wish to realize a greater profit by processing and selling their own trees. In this case, they should set up their own concentration area. It can be in a vacant lot, backyard or open area at the Christmas tree farm, or any other place that is handy to transportation. It should be well protected and roomy enough for tree storage. The grower should sort the trees by species, length, and grade; trim the handle to proper length; remove excess or broken branches; and, when necessary, tie the trees in bundles.

(4) The main purpose of bundling is to make the trees more compact to reduce handling and shipping costs. It also reduces branch breakage. Normally, only trees with limber branches, such as Douglas-fir and pines, are bundled. The average number of trees per bundle for various tree sizes is shown below:

| <u>Tree Height in Feet</u> | <u>No. of Trees per Bundle</u> |
|--------------------------------|------------------------------------|
| 2- 3 | 8 |
| 3- 4 | 6 |
| 5- 6 | 4 |
| 7- 8 | 3 |
| 9-10 | 2 |
| 11-12 | 1 |



BUNDLERS MAKE THEIR JOB EASIER BY SUSPENDING THE TREES BETWEEN TWO SAW HORSES. BINDER TWINE IS USED TO TIE THE TREES INTO COMPACT BUNDLES.

Enough trees are placed on a sawbuck type of rack to make a bundle. The bundler first binds the handles of the trees together with a wrap of untreated binder twine. Working toward the tops of the trees, he then makes similar wraps at close intervals to compact the branches into a solid bundle. Handles are trimmed to length after the bundles have been tied.

- d. After the trees have been processed at the concentration area, they should be stored in a protected spot until ready to ship by rail or truck.
- e. The main causes of spoilage are overheating and dry winds. Overheating and mold can be prevented by an adequate circulation of cool air, by keeping piles shallow and separated, and by placing a layer of branches between the trees and the bare ground. Storage in closed buildings is always risky. Outdoor storage is recommended where the piles can be protected from the sun and drying winds. Good storage areas are under the shelter of trees or on the protected side of a building. Undesirable drying conditions are usually associated with cold weather and strong north or east winds. Drying can be reduced by windbreaks, covering the piles with branches, or sprinkling to conserve moisture.

H. MARKETING

The grower has three possible buyers for his trees:

Wholesaler

Retailer

Consumer

The grower should realize that each step nearer to selling directly to the consumer increases his opportunity for a greater profit, but at the same time increases his workload and risk of loss from unsold trees. This helps to explain why retail prices are frequently 3 to 5 times greater than the price the grower receives from a wholesaler. The grower with a large number of trees to sell usually does not have time to set up for retail selling. His time is occupied by culturing, harvesting, and transporting the trees to wholesalers or retailers. Profits depend on volume of sales rather than high profits per tree. A grower with only 500 or 1,000 trees to sell may have a different viewpoint. His workload is less and he may be willing to take on the required detail, hard work, and long hours of retail selling. By so doing, he may be able to double his net returns compared to selling the trees wholesale. Of course, the grower must consider many other factors in deciding whether to sell retail or wholesale. These include nearness to population centers, retailing experience, amount of capital available to start a retail yard, and personal preferences.

1. Selling to a Wholesaler or Retailer

- a. Selling to a wholesaler at his concentration yard is common practice in major Christmas tree producing areas such as Mason and Kitsap Counties in Washington and Josephine and Lake Counties in Oregon. Although a few larger yards handle only trees cut from their own lands, most yards purchase at least a portion of their trees from other growers.

The grower should check with the yard manager before any trees are cut to obtain specifications on species, size, grade, price, and

delivery dates. Hauling trees to the yard is usually the responsibility of the grower who is paid on delivery. Sorting, grading, bundling, and shipping are handled at the concentration yard.

Some areas do not have concentration yards and it may be necessary for the grower to make special inquiries to locate a wholesale buyer. Wholesalers are continually looking for sources of high quality trees and will travel considerable distances to check a good prospect. Growers can make contacts with wholesale buyers through Christmas tree associations, farm foresters, county agents, U.S. Forest Service, newspaper advertisements, or yellow pages in telephone directories of important producing areas. Arrangements for harvesting, hauling and payment should be worked out with the wholesaler well in advance of cutting.

b. Many growers find it profitable and convenient to sell directly to a retailer, particularly when their production is small. Retailers, too, are constantly looking for sources of high quality, freshly cut trees. Once the grower has started to supply good trees to a reliable retailer, satisfactory selling arrangements may be continued year after year. A good way to obtain names and addresses of retailers for future reference is to contact them at their place of business in December. Smaller retailers may be hard to locate during the rest of the year, but larger established retailers can usually be contacted through local Christmas tree associations, farm foresters, county agents, or the U.S. Forest Service.

c. Buyers, whether they are wholesalers or retailers, should be contacted in late summer or early

fall, well before the cutting season.

^{The Northwest}
d. ~~The National~~ Christmas Tree

Association sponsors an annual trade fair. This provides good opportunity for growers to display samples of their trees and make contacts with buyers.

e. A signed agreement should be made between the grower and the buyer. For better assurance that both parties fully understand the requirements, the service of a forester or attorney is suggested. The sale agreement should clearly state the following applicable sale conditions:

- (1) Quantity of trees sold by species, size, and possibly grade.
- (2) Legal land description, clearly described cutting area boundaries, and description of trees to be cut. Sold trees should also be plainly marked or designated on the ground to protect both buyer and seller.
- (3) Price per tree or per lineal foot and conditions of payment.
- (4) Date to start cutting and termination date of agreement.
- (5) Party responsible for doing and paying for the cutting, dragging, and transportation to the place of delivery.
- (6) Handle length.
- (7) Place and date of delivery.
- (8) Any special requirements or conditions such as slash disposal, stump treatments, protection

of uncut trees, right to use roads, repair to damaged improvements, or bond to guarantee contract performance.

f. The most desirable selling arrangement is to get a cash payment in full when the sale is made. The most lenient payment terms the grower should accept is 50% of the total payment at the time the sale agreement is made with the balance to be paid before the trees are cut or delivered. This requirement will not discourage adequately financed buyers. It will discourage last-minute order cancellations, price down-grading and poor credit risks. Shipping trees on consignment to any buyer is a very risky way to do business and is not recommended.

Some buyers prefer to cut and drag trees with their own crews. In this case they buy "stumpage" which means uncut trees. However, a grower can usually realize 25¢ to 50¢ more per tree and have better control over the cutting practices if he does his own work.

g. If the grower agrees to transport the trees to a point of delivery, he should make proper allowance for this in his selling price. Hauling distance and type of road will influence cost.

h. The grower is obligated to fulfill his part of the agreement, the same as the buyer. He can establish a good business reputation by delivering on time, keeping the trees in good condition and delivering exactly what he promised.

2. Selling Trees to the Consumer

The grower has two possible outlets for selling his trees directly to the consumer: a retail lot or a choose-and-cut operation.

a. Retail Lots

Here are some tips for the grower who is planning to set up his own retail lot:

(1) The lot should be located only in population centers. Large cities or densely populated suburbs are best bets. The lot should be near heavily traveled main streets where the traffic flow is slow. Special attention should be given to adequate parking facilities. Good prospects are near supermarket parking lots, large shopping centers and on vacant lots at important crossroads. Past success of other retailers in the same location will help the grower judge his own chances.

(2) The lot rental agreement should be completed in writing well before December. Advance arrangements should also be made for electric service, night lighting, house trailer, sanitary facilities, tree stands, sawdust walkways, signs, and displays. Most lots are opened the second weekend in December. All preparations and arrangements should be completed by this time.

(3) Mounting the trees for display is always a major problem, especially in windy locations. A successful method is as follows: Drive 2" x 2" x 30" stakes into the ground about 6 to 8 feet apart. A shallow hole slightly larger in diameter than the handle of the tree is punched into the ground at the base of the stake. The handle is placed in the hole and the stem is bound firmly to the stake with binder twine or soft wire just above the bottom whorl. On hard or surfaced

lots, the trees may be mounted in wooden frame racks, tied to a heavy wire stretched between poles, or mounted in individual concrete slab stands with a hole through the center to hold the handle. Trees are held firmly in the slab by means of small wooden wedges. Lightweight stands are satisfactory only in protected or enclosed areas. The slightest wind will tip the trees over.

(4) Trees should be segregated by species and displayed in separate areas of the lot. Trees should also be arranged according to height. Tall trees should be in the background so as not to hide the shorter trees. Many successful retailers keep a small number of choice trees prominently displayed as "eye catchers" to attract passing drivers or pedestrians. "High grading" can be controlled by setting a higher price for choice trees than for average trees.

(5) Trees from 5 to 7 feet in height will likely comprise more than 80% of total sales. A few taller trees from 9 to 12 feet in height are sold for larger homes, commercial displays, and outdoor displays. Two to 4-foot trees are in demand for trailer homes, table trees, or second trees for the children's room.

(6) A variety of species from which to choose provides customer appeal. Douglas-fir is the best seller on most lots. Other good species to stock on a retail lot are concolor fir, grand fir, noble fir and shore pine. Production by species in Oregon and Washington is tabulated on page 3.

(7) Consumer studies show that the three most important characteristics of a good tree, in order of importance, are:

- (a) Bushiness
- (b) Good, symmetrical shape
- (c) Freshly cut appearance.

(8) The retailer who grows his own trees is in a good position to offer and advertise freshly cut trees. This is a strong selling point with many buyers. Fresh trees can be kept in stock by cutting a new supply each week. This method of cutting has an additional advantage of keeping supply and demand in better balance to prevent large numbers of unsold trees.

(9) Protection of trees from drying and overheating is sometimes difficult on the lot. It may be safer to store undisplayed or newly delivered trees where they can be kept in good condition and bring small quantities at a time to the lot.

(10) Retail prices vary a great deal with species, tree quality, lot location, and local competition. Average 1960 prices for a 6-foot U.S. No. 1 tree in metropolitan areas of Western Oregon and Washington were approximately as follows:

| <u>Species</u> | <u>Range</u> | <u>Average</u> |
|------------------------|---------------|----------------|
| Douglas-fir | \$2.00-\$4.50 | \$3.00 |
| Noble and silver fir | 5.00-10.00 | 6.00 |
| Lodgepole & shore pine | 4.00- 6.00 | 5.00 |
| Grand and concolor fir | 3.50- 6.00 | 4.50 |

Low quality trees, by contrast, sold for as low as \$1.00 per 6-foot tree. Practically all lots cut prices a few days before Christmas to help liquidate surplus stock. An unsold surplus of 15% to 20% of total inventory is normal for most lots.

(11) Boughs, especially noble fir, are the most popular sideline item. Wreaths, door swags, mistletoe, and cones are also popular.

(12) Painted and flocked trees have been handled by some of the larger retail lots. Lots that handled them reported that flocked trees averaged 5% of their total sales and painted trees averaged 8% of their total sales. Favorite color was white, followed by blue. Flocked Douglas-fir sold for about \$2.00 per foot, painted Douglas-fir for about \$1.00 per foot.

(13) Live trees, potted in gallon cans, have comprised only a very minor part of total sales but are growing more popular. Favorite species are noble fir and shore pine. Price is about $2\frac{1}{2}$ times greater than for a cut tree.

(14) The average customer is not an expert on tree species but he is very much aware of the quality. Some like to browse; others like to be helped with their selection. Like customers the world over, Christmas tree purchasers appreciate courtesy, sincerity, and wishes for a "Merry Christmas".

b. Choose-and-cut Christmas Tree Farms

These offer special appeal to families who make cutting their own tree

a traditional event. It also insures a freshly cut tree without having to trespass. From the grower's viewpoint, this method of marketing gives the best possible assurance of selling every tree that is cut. Prices are generally about the same as those on retail lots.

Here are some tips for the grower who is thinking about setting up an operation in which the customer selects and cuts his own tree at the Christmas tree farm:

(1) This type of operation should be within reasonable driving distance from large population centers.

(2) The more species that are offered, the greater the customer appeal.

(3) Intensive advertising is especially important in the early stages of the business, until steady customers are attracted. Posters and advertising in local papers, TV, and radio are helpful. A feature story in a local newspaper is probably the best and certainly the least costly means of publicity.

(4) Large lettered signs with arrows pointing to the tree farm should be posted at road junctions. The landowner's permission should be obtained before the signs are posted. After Christmas the signs can be taken down and stored.

(5) Adequate parking space, turnouts and turnaround spots are necessary. Roads and parking spaces should be gravelled and well drained.



"CHOOSE-AND-CUT" RETAIL OPERATIONS ARE BECOMING MORE POPULAR EACH YEAR. THE PURCHASER CAN SELECT AND CUT HIS OWN TREE.

- (6) Good access trails should be provided in cultured, natural areas. Trails should be located to form a loop pattern so that all trails lead back to the parking area. Trail signs are helpful.
- (7) A comfortable, well-heated shelter should be constructed near the parking area for the comfort of the customers and for conducting business. Toilet facilities should be provided.
- (8) A customer going out to cut his tree should be provided with a handsaw. Information on available species, prices and any special cutting requirements can be posted on prominently displayed signs or in leaflet handouts.

(9) A customer returning to the shelter should check in his saw and have his tree measured for payment. Free services such as hot coffee, candy favors for the children, recorded Christmas carols, assistance in carrying the tree to the car, and binder twine to tie down trunk lids create goodwill at no great cost.

(10) Other items such as boughs, wreaths, door swags, cones, and yule logs are profitable sidelines. They should be prominently displayed.

3. Christmas Tree Grades

The Agricultural Marketing Service of the U.S. Department of Agriculture has established three standard grades for Christmas trees: U.S. Premium, U.S. No. 1 and U.S. No. 2. Use of this system is optional. A bulletin, "U.S. Standards for Christmas Trees", and information on grading services can be obtained from offices of the Agricultural Marketing Service. Grade descriptions are summarized on page 16.

Although not yet widely accepted by the industry, the U.S. Standard grades do establish a sound basis for determining quality and price. Several of the larger Christmas tree companies have been using their own grading system for a number of years. Industry-wide acceptance of a standard grading system would benefit both buyers and sellers by enabling them to talk in common terms when negotiating a sale.

U.S. Standards for Christmas Trees

| Required Standards for Grade | | | | | | |
|------------------------------|---------|---------------|------------|--------------|---------------------|--|
| Grade | Density | Taper | Balance | Foliage | Deformities | |
| U.S. Premium: | Medium | Normal | 4 complete | Fresh, clean | Not more serious | |
| | | | faces | & healthy | than minor | |
| U.S. No. 1 | Medium | Normal | 3 complete | Fresh, clean | Not more serious | |
| | | (flaring or | faces | & healthy | than minor (notice- | |
| | | andlestick | | | able deformation | |
| | | if tree is | | | permitted if tree | |
| | | otherwise | | | is otherwise | |
| | | U.S. Premium) | | | U.S. Premium) | |
| U.S. No. 2 | Light | Normal | 2 complete | Fresh, fair- | Not more serious | |
| | | (flaring or | faces | ly clean, | than minor | |
| | | andlestick | | and free | (noticeable de- | |
| | | if tree is | | from damage | formities per- | |
| | | otherwise | | | mitted if tree | |
| | | U.S. No. 1) | | | is otherwise | |
| | | | | | U.S. No. 1) | |

I. SUMMING UP

The success of a christmas tree operation must be measured by net profits that the grower earns on his investment. Profits can never be taken for granted even when trees are of high quality. Christmas trees are an unusual product since they are both perishable and in short seasonal demand. This makes it especially important for growers to make sound harvesting and marketing plans well before the trees are cut. They must provide sufficient management, manpower and equipment to meet a brief and busy harvesting schedule. Long hours of hard work, know-how and willingness to take a financial risk are also necessary. Harvesting and marketing practices may determine the difference between profit and loss to the grower.

J. SOURCES OF ASSISTANCE AND INFORMATION

Services of a farm forester are available to most woodland areas in Oregon and Washington. The office address of the local farm forester can be obtained by inquiring at any State District Warden's office in Oregon or State Department of Natural Resources' office in Olympia, Washington.

Reference material is available from the County Extension Agent. He can also advise growers concerning the availability of assistance from farm foresters, extension foresters and others who work with Christmas tree growers.

Additional sources of harvesting and marketing information are:

Extension Forester, Agricultural Extension Service, Western Washington Experiment Station, Puyallup, Wash.

Extension Forester, Forestry 205, O. S. U., Corvallis, Oregon.

Extension Forester, Agricultural Extension Service, Washington State University, Pullman, Washington.

Local offices of the Soil Conservation Service.

U. S. Forest Service, P.O. Box 4137, Portland, Oregon.

Northwest Christmas Tree Association. (The name and address of the current secretary may be obtained by contacting a farm forester or the U.S. Forest Service at the above address.)

